GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:395
ANSWERED ON:21.10.2008
IMPACT OF PREFERENTIAL DUTY- FREE MARKET ACCESS
Badiga Shri Ramakrishna

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the recent announcement by the Prime Minister on preferential duty free market access to 50 least developed countries would make any impact;

(b) if so, the details thereof;

(c) whether China, Brazil and other developed countries are also extending similar market access to the least developed countries; and

(d) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH)

(a) & (b): Yes Sir, the Duty Free Tariff Preference (DFTP) Scheme for Least Developed Countries (LDCs) announced on the occasion of the India Africa Forum Summit on 8 April, 2008 would have a positive impact on the LDCs. It provides enhanced market access for the products o f export interest to LDCs thereby helping in their economic development. The Scheme provides duty free and preferential market access to all LDCs on 94% of India's total tariff lines. These tariff lines cover 92.5% of the global exports of all LDCs.

(c) & (d): China provides Duty Free Quota Free (DFQF) preferential market access to LDCs with whom it has diplomatic relations though this scheme is yet to be notified to the WTO. Brazil is still in the process of formulating a DFQF preferential market access scheme for LDCs. Several other countries, both developed and developing, provide preferential market access to LDCs. The details of the some of these schemes are annexed to this reply.